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GLEN ECHO MINES LIMITED

Sixteenth Annual Report

For the Year Ended 31st December, 1965

GLEN ECHO MINES LIMITED

Incorporated under the Laws of the Province of Ontario

	Authorized Capital - - - - - 3,000,000 Shares (\$1.00 Par Value)
	Issued Capital - - - - - 2,130,005 Shares
OFFICERS	J. A. GRANT - - - - - <i>President</i> FOSTER W. HEWITT - - - - - <i>Vice-President</i> H. L. GOOD - - - - - <i>Secretary-Treasurer</i>
DIRECTORS	H. L. GOOD - - - - - Toronto, Ontario G. M. GRANT - - - - - Toronto, Ontario J. A. GRANT - - - - - Toronto, Ontario FOSTER W. HEWITT - - - - - Toronto, Ontario S. H. ROBINSON - - - - - Toronto, Ontario
HEAD OFFICE	Suite 710 — 60 Yonge Street, Toronto, Ontario
MINE PROPERTIES	Sioux Lookout, Ontario Highland Valley, British Columbia
REGISTRAR AND TRANSFER AGENT	EASTERN AND CHARTERED TRUST COMPANY, 1901 Yonge Street, Toronto, Ontario
AUDITORS	GRIER, DYER, ELMSLIE & STOWAR, Toronto, Ontario
COUNSEL	HOLDEN, MURDOCH, WALTON, FINLAY, ROBINSON, PEPALL & HARVEY, Toronto, Ontario
ANNUAL MEETING	The Annual Meeting of the Company will be held at the Company's Head Office, Suite 710 - 60 Yonge Street, Toronto 1, Ontario, on Thursday, June 2nd, 1966, at 11:00 o'clock in the forenoon (Toronto time).

GLEN ECHO MINES LIMITED

Directors' Report

To the Shareholders:

The Directors submit herewith the Sixteenth Annual Report of your Company including Financial Statements, Auditors' Report for 1965 and the Consulting Geologist's Report on field operations.

A group of claims has been optioned on behalf of the Company by Dr. H. S. Wilson in the Highland Valley, British Columbia, and additional claims have been staked by the Company tying on to the optioned group. A number of interesting copper showings occur on the claims, which are located on a large geological structure known as the Guichon Creek batholith where two companies are presently producing large tonnages of copper ore. Accompanying this report is a location map. A work programme was started on the property in late April, 1966.

The Company's thirty patented mining claims in Echo Township, Province of Ontario, are being held in good standing.

Your Directors express their appreciation for the excellent field work carried out by Dr. H. S. Wilson during 1965.

On behalf of the Board,

JAMES A. GRANT,
President.

Toronto, Ontario,
May 2nd, 1966.

GLEN ECHO MINES LIMITED

(Incorporated under the laws of the Province of Ontario)

Balance Sheet as at December 31, 1966

ASSETS

CURRENT:

Cash	\$	147	
Accounts receivable		2,629	
Investments in marketable securities — at cost, less proceeds from sales (quoted market value \$27,000)		11,095	13,871

MINING CLAIMS:

Patented claims in Echo Township, Red Lake Mining Division, Ontario — at cost			77,841
Option payment on mining claims in British Columbia			1,000

DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES (NET):

Balance at 31st December 1964		123,194	
Add — Net expenditure for the year — Exhibit 'B'		12,765	
		<u>135,959</u>	
Deduct — Exploration and development costs of abandoned claims (contra)		12,389	123,570

Organization Expense			2,445
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\$ 218,727

AUDITOR'S REPORT

The Shareholders,
Glen Echo Mines Limited:

We have examined the balance sheet of Glen Echo Mines Limited as at December 31, 1966, and the exploration, development and other expenditures for the year ended December 31, 1966, and we have also examined the accounting procedures and such tests of accounting records and other supporting documents as we considered necessary.

In our opinion the accompanying balance sheet and statement of financial position of the company as at 31st December 1966, and the statement of income and statement of expenditures for the year ended December 31, 1966, are in accordance with generally accepted accounting principles applied consistently throughout the period.

Toronto, Ontario,
25th March 1966.

MINES LIMITED

(Incorporated in the Province of Ontario)

EXHIBIT 'A'

31st December, 1965

LIABILITIES

CURRENT:

Accounts payable and accrued	\$ 3,111	
Bank loan (secured)	5,000	8,111
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CAPITAL STOCK:

Authorized —

3,000,000 shares of \$1.00 par value

Issued —

1,380,005 for cash	\$1,380,005	
Less — discount	1,232,000	148,005
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750,000 for mining claims	750,000	
Less — discount	675,000	75,000
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<u>2,130,005</u>	<u>223,005</u>	
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Deduct — Exploration and development costs of abandoned claims	12,389	210,616
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Approved on behalf of the Board:

J. A. GRANT, Director.

H. L. GOOD, Director.

\$ 218,727

REPORT

examined as at 31st December 1965 and the statement of deferred exploration and development costs at that date. Our examination included a general review of the accounting records and the results of its operations for the year ended on that date, in accordance with the requirements of the Companies Act and the circumstances.

deferred exploration, development and other expenditures present and the results of its operations for the year ended on that date, in accordance with the requirements of the Companies Act and the circumstances.

GRIER, DYER, ELMSLIE & STOWAR,
Chartered Accountants.

GLEN ECHO MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION, DEVELOPMENT AND OTHER EXPENDITURES FOR THE YEAR ENDED 31ST DECEMBER, 1965

EXPLORATION AND DEVELOPMENT:

Prospecting and exploration in British Columbia —

Consulting fees	\$ 400	
Engineering salary	3,821	
Engineering expenses	1,987	
Travelling expenses	319	
Staking and recording claims	120	
Telephone and sundry expenses	105	6,752

Extra-provincial registration costs in connection with work being undertaken in British Columbia	1,451
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PATENTED CLAIMS, ECHO TOWNSHIP:

Cost of holding	202
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ADMINISTRATIVE AND GENERAL:

Annual report	\$ 112	
Interest (net)	19	
Legal, audit and accounting fees	880	
Office facilities	600	
Salary — executive	2,400	
Stationery, postage and sundry	77	
Taxes and filing fees	30	
Transfer agent and registrar	242	4,360
Net Expenditure		<u>\$ 12,765</u>

GLEN ECHO MINES LIMITED

Consulting Geologist's Report

The President and Directors,
GLEN ECHO MINES LIMITED,
Suite 710 - 60 Yonge Street,
Toronto 1, Ontario.

GENTLEMEN:—

The following is a summary of prospecting operations carried out by the writer in the Province of British Columbia during the summer of 1965.

The early part of the season was spent in the southern part of the Province mostly in the south Okanagan and Rossland areas, where a number of mineral prospects were examined, none of which proved to be of interest.

In August, several silver-lead-zinc prospects were examined in the Hazelton area, which is in the west-central part of the Province, about 120 air miles northeast of Prince Rupert, but because of their small size and relatively inaccessible location they also were considered to be of no interest.

During the latter part of the season a number of copper and other prospects were examined in the Princeton, Slocan and Highland Valley areas, one of which in the last-named area, was considered to have attractive possibilities. This property, which consists of fourteen claims, is located near Highway No. 8 about thirteen miles southwest of Spences Bridge and eighteen miles northwest of Merritt. A number of interesting copper showings occur on the claims and geological conditions are considered favourable for the occurrence of economic deposits of this metal. A reasonable option agreement was worked out with the owners and twelve additional claims were acquired by staking, making a total of twenty-six claims in the group, whose area is about 1,340 acres.

It is recommended that the above-mentioned property be systematically prospected during the 1966 season. The cost of carrying out the initial phases of this work, consisting of topographic, geologic and geochemical surveys and surface prospecting, is estimated at about \$18,000 which will bring the property to the stage where consideration can be given to carrying out more detailed geophysical surveys such as induced polarization, or possibly diamond drilling.

Respectfully submitted,

H. S. WILSON, P.Eng.

Oakville, Ontario,
April 15, 1966.



